



Reverse sales and use tax audit

Services for the healthcare industry



Effectively managing sales and use taxes is challenging in today's environment. State sales and use tax laws and regulations frequently change and are highly variable from state to state. The landmark Supreme Court Decision in *South Dakota v. Wayfair* has sparked a flurry of change in nearly all states that affects virtually all companies. Rapid developments in technology are dramatically impacting what companies are buying and how they are delivering their services, particularly in healthcare. As a result all of these issues, in-house tax departments may be stretched to effectively and efficiently manage sales and use taxes. The potential for overpaying sales and use taxes has never been greater.



Our services

KPMG's Reverse Audit Service for sales and use tax offers an organized and efficient review of purchase and sales transactions to help identify and recover overpayments of sales and use tax. KPMG's reverse audit teams are highly experienced and are customized around industries and geographies. They employ a consistent, technology-driven approach to help identify, substantiate, and recover sales and use tax overpayments. While recovering overpayments is great for our clients, we don't stop there. Our ultimate goal is to help our clients discover the issues causing the overpayments and identify potential solutions ranging from staff training to customized technology solutions.

Benefits:

- Refunded tax is cash to the bottom line
- Issues causing overpayments can be identified and corrected
- Identified overpayments help to counter state audit assessment
- Client gains understanding of a state's position on certain transactions
- Fees often can be structured so that client pays nothing until benefit is received

KPMG: A modern approach to healthcare tax and valuation

KPMG's Healthcare professionals recognize that the tax profiles of healthcare organizations today are changing just as rapidly as the industry itself. Our tax professionals take an industry-focused approach, turning KPMG's broad experience across the healthcare ecosystem (tax-exempt and taxable; providers, payors, private equity investors and other healthcare businesses) into value for each one of our clients. At KPMG, we understand your business, we speak your language, and we understand the tax challenges and opportunities across the healthcare industry.



Our approach

KPMG Reverse Audit Service is accomplished through a multi-step process:

- Planning
- Information Gathering
- Data Analysis
- Taxability Review
- Claim Preparation and Filing
- Approval and Payment
- Post Implementation/Training

KPMG's reverse audit teams are supported by various national and local resources including the Ignition Center, the Data Enablement Team, Washington National Tax, and the State Tax Resource Network (STRN). The Ignition Center and Data Enablement teams consist of IT professionals skilled in tax who can help our clients extract data from their systems to conduct our reverse audit reviews. Washington National Tax and the STRN are comprised of professionals who have deep technical knowledge of state-specific sales and use tax laws and procedures as well as strong relationships with tax authorities in virtually every state.



Why KPMG?

We have more than 20 years of experience providing reverse sales and use tax audits, specifically to the healthcare industry. We know and understand products used in the provision of healthcare, and our deep experience in multiple location reverse audits helps us to quickly and efficiently evaluate opportunities, prepare and file claims, and secure refunds. All with minimal interruption to our clients.

Our healthcare tax professionals understand your business, speak your language, and appreciate the day-to-day realities of operating in a highly regulated and rapidly changing environment. Our tax clients benefit from deep technical knowledge and our industry insights as we anticipate the potential long- and short-term tax consequences of regulatory changes, shifts in operating and payment models, technology trends, and other influences affecting the healthcare industry.



Contact us

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